



**STATE OF LOUISIANA**  
**OFFICE OF STUDENT FINANCIAL ASSISTANCE**  
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May 11, 2006  
06-174

Ms. Kelli Farmer  
Consumer and Governmental Affairs Bureau, Policy Division  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room 5-A866  
Washington, DC 20554

RE: CG Docket No. 02-278

Dear Ms. Farmer:

The Louisiana Office of Student Financial Assistance (LOSFA) is the designated guarantor for Louisiana and annually guarantees \$250 million in Federal Family Education Loan (FFEL) Program loans. The FFEL Program is the largest Federal student loan program. As one of the nation's thirty-five guarantors, LOSFA is responsible for administering all aspects of the FFEL Program, including performing vigorous default prevention activities and collecting defaulted student loans. LOSFA performs these collection activities using both internal staff and third-party collection agencies.

I am writing in response to your office's call for comment on ACA International's Petition for an Expedited Clarification and Declaratory Ruling Concerning the Telephone Consumer Protection Act (TCPA) Rules (CG Docket No. 02-278). LOSFA has read the ACA petition and concurs with its basic premise that Federal law and corresponding FCC regulations concerning the prohibited use of autodialers by telemarketers to contact borrowers on cellular telephones were never intended to and should not apply to creditors and collectors attempting to recover payments for goods and services already purchased. Failure by the FCC to clarify this position will be detrimental to LOSFA and the Federal student loan program as a whole.

In Federal fiscal year 2005, LOSFA and its third-party collection vendors recovered over \$31 million in defaulted student loans. More importantly, LOSFA prevented nearly \$469,000 from defaulting by contacting delinquent student loan borrowers and counseling them on the many repayment options available under the FFEL Program. The inability to use autodialer technology would not only lead to reduced default recoveries and increased defaults, but thousands of borrowers who otherwise may have brought their accounts current will suffer the negative ramifications of student loan default. These are real dollar and human costs, and they can be avoided by the proper FCC declaratory ruling in favor of the ACA petition.

LOSFA respectfully requests that the Commission issue a declaratory ruling clarifying that 47 C.F.R. § 64.1200(a)(1)(iii) does not apply to creditors and collectors when calling telephone numbers to recover payments for goods and services received by consumers and that the 2003 TCPA rulemaking did not alter the Commission's previous findings that calls to recover debts are not subject to the TCPA's autodialer restrictions.

Sincerely,

Melanie Amhrein  
Assistant Executive Director & Chief Operating Officer

MA/csm